

“(ix) the unique challenges faced by individual programs, including those that are seasonal or short term, and those that serve rural populations; and

“(C)(i) review and revise as necessary the performance standards in effect under this subsection; and

“(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in quality, scope or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on October 27, 1998.

“(3) STANDARDS RELATING TO OBLIGATIONS TO DELEGATE AGENCIES.—In developing standards under this subsection, the Secretary shall describe the obligations of a Head Start agency to a delegate agency to which the Head Start agency has delegated responsibility for providing services under this subchapter and determine whether the Head Start agency complies with the standards. The Secretary shall consider such compliance during the review described in subsection (c)(1)(A) and in determining whether to renew financial assistance to the Head Start agency under this subchapter.

“(b) MEASURES.—

“(1) IN GENERAL.—The Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of early childhood education and development, shall use the study on Developmental Outcomes and Assessments for Young Children by the National Academy of Sciences to provide guidance to Head Start agencies for utilizing scientifically-based measures that support, as appropriate—

“(A) classroom instructional practices;

“(B) identification of special needs; and

“(C) program evaluation.

“(2) CHARACTERISTICS OF MEASURES.—The measures under this subsection shall

“(A) be developmentally, linguistically, and culturally appropriate for the population served;

“(B) be reviewed not less than every 4 years, based on advances in the science of early childhood development;

“(C) be consistent with relevant, nationally recognized professional and technical standards related to the assessment of young children;

“(D) be valid and reliable (in English, Spanish, and any other language, as appropriate);

“(E) be administered by staff with appropriate training for such administration;

“(F) provide appropriate accommodations for children with disabilities and children who are limited English proficient; and

“(G) be high-quality research-based measures that have been demonstrated to assist with the purposes for which they were devised.

“(3) USE OF MEASURES; LIMITATIONS ON USE.—

“(A) Measures shall be designed for the purpose of—

“(i) promoting the skills, knowledge, and competencies of children participating in Head Start programs specified in subsection (a)(1)(B)(ii), with an emphasis on measuring skills that scientifically-based research has demonstrated are related to children's school readiness and later success in school;

“(ii) improving classroom practices, including reviewing children's strengths and weaknesses;

“(iii) identifying special needs; and

“(iv) improving overall program performance in order to help programs identify problem areas that may require additional training and technical assistance resources.

“(B) Such measures shall not be used to exclude children from Head Start programs.

“(4) SUSPENDED IMPLEMENTATION OF NATIONAL REPORTING SYSTEM.—The Secretary shall—

“(A) suspend implementation and terminate further development and use of the National Reporting System; and

“(B) incorporate, as appropriate, recommendations from the study on Developmental

Outcomes and Assessments for Young Children by the National Academy of Sciences into any assessment used in the Head Start programs, in accordance with paragraphs (2) and (3).

“(5) SPECIAL RULE.—The use of assessment items and data on any assessment authorized under this subchapter by an agent or agents of the Federal Government to provide rewards or sanctions for individual children or teachers is prohibited. The Secretary shall not use the results of a single assessment as the sole or primary method for assessing program effectiveness or making grantee funding determinations at the national, regional, or local level.

“(6) CONFIDENTIALITY.—

“(A) The Secretary, through regulation, shall ensure the confidentiality of any personally identifiable data, information and records collected or maintained by the Secretary and any Head Start agency. Such regulations shall provide the policies, protections, and rights equivalent to those provided a parent, student, or educational agency or institution under section 444 of the General Education Provisions Act.

“(B) Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable information on children participating in measures under this subsection.

“(c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—

“(1) IN GENERAL.—To determine whether Head Start agencies meet standards established under this subchapter with respect to program, administrative, financial management, and other requirements and in order to help programs identify areas for improvement and areas of strengths as part of an on-going self-assessment process, the Secretary shall develop and use a risk-based assessment system to conduct the following reviews of Head Start agencies, and of the Head Start programs operated by such agencies:

“(A) A full review of each such agency at least once during each 3-year period.

“(B) A review of each newly designated Head Start agency immediately after the completion of the first year such agency carries out a Head Start program.

“(C) Followup reviews, including unannounced reviews as appropriate, of programs with 1 or more findings of deficiencies not later than 12 months after the date of such finding.

“(D) other reviews, including unannounced site inspections of Head Start centers, as appropriate.

“(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

“(A) are conducted by review teams that—

“(i) include individuals who are knowledgeable about Head Start programs and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and limited-English proficient children and their families; and

“(ii) include, to the maximum extent practicable, current or former employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

“(B) include as part of the reviews of the programs, a review and assessment of program strengths and areas in need of improvement;

“(C) include as part of the reviews of the programs, a review and assessment of whether programs have adequately addressed the population and community needs (including populations of children with limited English proficiency and children of migrant and seasonal farm-working families);

“(D) include as part of the review the extent to which the program addresses the community needs and strategic plan identified in section 640(g)(2)(C);

“(E) include as part of the review the implementation by qualified individuals with demonstrated reliability, of a valid and reliable re-

search-based observational instrument that assesses classroom quality, including multiple dimensions of teacher-child interactions that are linked to positive child development and later achievement;

“(F) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, and based on a transparent and reliable system of review;

“(G) in the case of Early Head Start programs, are conducted by a review team that includes individuals who are knowledgeable about the development of infants and toddlers; and

“(H) include as part of the review a protocol for fiscal management that shall be used to assess the compliance with program requirements for—

“(i) using federal funds appropriately;

“(ii) using federal funds specifically to purchase property and to compensate personnel;

“(iii) securing and using qualified fiscal officer support; and

“(iv) reporting financial information and implementing appropriate internal controls to safeguard federal funds.

“(3) USE OF REVIEW FINDINGS.—The findings of the review shall, at a minimum—

“(A) be presented to an agency in a timely, transparent, and uniform manner that conveys information of program strengths and weaknesses and assists with program improvement; and

“(B) be used by the Head Start agencies to inform the development and implementation of their plan for training and technical assistance.

“(d) EVALUATIONS AND CORRECTIVE ACTIONS FOR DELEGATE AGENCIES.—

“(1) PROCEDURES.—The Head Start agency shall establish procedures relating to its delegate agencies, including—

“(A) procedures for evaluating delegate agencies;

“(B) procedures for defunding delegate agencies; and

“(C) procedures for appealing a defunding decision relating to a delegate agency.

“(2) EVALUATIONS.—Each Head Start agency—

“(A) shall evaluate its delegate agencies using the procedures established under this section; and

“(B) shall inform the delegate agencies of the deficiencies identified through the evaluation that are required to be corrected.

“(3) REMEDIES TO ENSURE CORRECTIVE ACTIONS.—If the Head Start agency identifies a deficiency of a delegate agency through the evaluation, the Head Start agency may—

“(A) initiate procedures to terminate the designation of the delegate agency unless such agency corrects the deficiency; and

“(B) conduct monthly monitoring visits to such delegate agency until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency.

“(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to modify, supersede, or affect the powers, duties, or functions of the Secretary with respect to Head Start agencies or delegate agencies that receive financial assistance under this subchapter.

“(e) CORRECTIVE ACTION; TERMINATION.—

“(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (a) or fails to adequately address the community needs and strategic plan identified in section 640(g)(2)(C), the Secretary shall—

“(A) inform the agency of the deficiencies that shall be corrected;

“(B) with respect to each identified deficiency, require the agency—

“(i) to correct the deficiency immediately, if the Secretary finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds;